

the time set for the meeting. Notices given by personal delivery, telephone or facsimile shall be delivered, telephoned or sent at least 48 hours before the time set for the meeting.

- iii. Notice contents. The notice shall state the time and place for the meeting. It need not specify the purpose of the meeting and it need not specify the place of the meeting if it is to be held at the principal executive office of the corporation.

SECTION 5.9 QUORUM

A majority of the number of directors in office shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 5.11. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the board of directors, subject to the provisions of law or the Articles of Incorporation, especially those provisions of the California Nonprofit Mutual Benefit Corporation Law relating to:

- i. Approval of contracts or transactions in which a director has a direct or indirect material financial interest;
- ii. Appointment of committees, and,
- iii. Indemnification of directors.

A meeting of which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

SECTION 5.10 WAIVER OF NOTICE

The transactions of any meeting of the board of directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

SECTION 5.11 ADJOURNMENT

A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

SECTION 5.12 NOTICE OF ADJOURNMENT

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case notice of the time and place shall be given before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

SECTION 5.13 ACTION WITHOUT MEETING

Any action required or permitted to be taken by the board of directors may be taken without a meeting, if all members of the board of directors, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the board of directors. Such written consent or consents shall be filed with the minutes of the proceedings of the board of directors.

SECTION 5.14 REIMBURSEMENT OF EXPENSES AND COMPENSATION OF DIRECTORS

Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement of expenses, as may be determined by resolution of the board of directors to be just and reasonable.

SECTION 5.15 NO LIABILITY OF DIRECTORS

No director shall be personally liable for the debts, liabilities or obligations of the corporation. The directors of the corporation shall have no liability for dues on assessments.

ARTICLE VI. COMMITTEES

SECTION 6.1 COMMITTEES OF DIRECTORS

The board of directors may, by motion adopted by a majority of the directors then in office, designate one or more committees, each consisting of two or more directors, to serve at the pleasure of the board of directors. Any committee duly constituted in accordance with the foregoing sentence may invite one or more additional persons who are not directors to be members of the committee; provided that such other persons shall not have the right to vote (nor shall they vote) on any matter coming before a vote of the committee. Any committee, to the extent provided in the motion of the board of directors, shall have all the authority of the board of directors, except that no committee, regardless of board of directors' resolution, may:

a. Take any final action on matters, which, under the California Nonprofit Mutual Benefit Corporation Law, also requires members' approval or approval of a majority of all the members;

b. Fill vacancies on the board of directors or in any committee, which has the authority of the board of directors.

- c. Fix compensation of the directors for serving on the board directors or on any committee;
- d. Amend or repeal bylaws or adopt new bylaws;
- e. Amend or repeal any resolution or action of the board of directors;
- f. Appoint any other committees of the board of directors or the members of these committees;
- g. Expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected;
- h. Except as provided in Section 5233(d)(3) of the California Corporation Code, approve any transaction;
 - i. To which the corporation is a party and one or more directors have a material financial interest; or,
 - ii. Between the corporation and one or more of its directors, or between the corporation and any person in which one or more of its directors have a material financial interest.

SECTION 6.2 MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, and held and taken in accordance with, the provisions of Article V of these Bylaws, concerning meetings of directors, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the board of directors and its members, except that the time for regular meetings of committees may be determined either by motion of the board of directors or by motion of the committee, and that special meetings of committees may also be called by motion of the board of directors or by motion of the committee. Notice of special meetings of committees shall also be given to all alternate members of the committee, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of directors may adopt rules for the government of any committee not inconsistent with the provisions of these Bylaws.

SECTION 6.3 EXECUTIVE COMMITTEE

The Executive Committee of the board of directors shall be composed of the president, the secretary, the treasurer, the Executive Director and any other officer appointed by the board of directors. The Executive Committee shall have the powers of the board of directors during the periods when the board of directors is not in session and such other powers as shall lawfully be delegated to it from time to time by the board of directors. All matters acted on by the Executive Committee that are usually acted on by the board of directors shall be reported to the board of directors at its next meeting.

ARTICLE VII. OFFICERS

SECTION 7.1 OFFICERS

The officers of the corporation shall be a president, a secretary, and a treasurer. The corporation may also have, at the discretion of the board of directors, a chairman of the board of directors, one or more additional vice presidents, one or more assistant secretaries, one or more assistant treasurers, and such other officers as may be appointed in accordance with the provisions of Section 7.3. Any number of offices may be held by the same person, except that neither the secretary nor the treasurer may serve concurrently as either the president or the chairman of the board of directors.

SECTION 7.2 ELECTION OF OFFICERS

The officers of the corporation, except those appointed in accordance with the provisions of Section 7.3 shall be chosen by the board of directors, and each shall serve at the pleasure of the board of directors, subject to the rights, if any, of an officer under any contract of employment.

SECTION 7.3 SUBORDINATE OFFICERS

The board of directors may appoint, and may authorize the chairman of the board of directors or the president or another officer to appoint, any other officers that the business of the corporation may require, each of whom shall have the title, hold office for the period, have the authority and perform the duties specified in these Bylaws or determined from time to time by the board of directors

SECTION 7.4 REMOVAL OF OFFICERS

Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the board of directors, at any regular or special meeting of the board of directors, or, except in case of an officer chosen by the board of directors, by an officer on whom such power of removal may be conferred by the board of directors.

SECTION 7.5 RESIGNATION OF OFFICERS

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party.

SECTION 7.6 VACANCIES IN OFFICES

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office.

SECTION 7.7 RESPONSIBILITIES OF OFFICERS

a. Chairman of the Board of Directors. If such an officer be elected, the chairman of the board of directors shall preside at meetings of the board of directors and exercise and perform such other powers and duties as may be from time to time assigned to him by the board of directors or prescribed by these Bylaws. If there is no president, the chairman of the board of directors shall, in addition, be the chief executive officer of the corporation and shall have the powers and duties prescribed in Section 7.7(b).

b. President. Subject to such supervisory powers as may be given by the board of directors to the chairman of the board of directors, if any, the president shall be the chief executive officer of the corporation and shall, subject to the control of the board of directors, generally supervise, direct and control the business and the officers of the corporation. He shall preside, in the absence of the chairman of the board of directors, or if there be none, at all meetings of the board of directors. He shall have such other powers and duties as may be prescribed by the board of directors or by these Bylaws. In the event that the president has been deemed a non-voting member of the board of directors, he/she will nonetheless be compelled by business necessity to break a tie vote of other board members.

c. Secretary. In the absence of disability of the president, the secretary, if any, in order of their rank as fixed by the board of directors or, if not ranked, a vice president designated by the board of directors, shall perform all the duties of the president and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president. The vice president shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the board of directors or by these Bylaws.

In addition the secretary shall attend to the following:

- i. Book of Minutes. The secretary shall keep or cause to be kept, at the principal executive office or such other place as the board of directors may direct, a book of minutes of all meetings and actions of directors and committees of directors, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.
- ii. Membership Records. The secretary shall keep, or cause to be kept, at the principal executive office, as determined by resolution of the board of directors, a record of the corporation's directors, showing the names of all directors and their addresses.
- iii. Notices, Seal and Other Duties. The secretary shall give, or cause to be given, notice of all meetings of the board of directors required by these Bylaws to be given. The secretary shall keep the seal of the corporation in safe custody. The

secretary shall have such other powers and perform such other duties as may be prescribed by the board of directors or by these Bylaws. If for any reason the secretary shall fail to give notice of any special meeting of the board of directors called by one or more of the persons identified in Section 5.8(a), then any such person or persons may give notice of any such special meeting.

- c. The treasurer shall attend to the following:
 - i. Books of Account. The treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of account shall be open in inspection by any director at all reasonable times.
 - ii. Deposit and Disbursement of Money and Valuables. The treasurer shall deposit all money and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the board of directors; shall disburse the funds of the corporation as may be ordered by the board of directors; shall render to the president and directors, whenever they request it, an account of all of his transactions as treasurer and of the financial condition of the corporation; and, shall have such other powers and perform such other duties as may be prescribed by the board of directors or by these Bylaws.
 - iii. Duties of President. In the absence or disability of the president, and if there be no vice presidents or if no vice presidents are present and available, the treasurer shall perform all the duties of the president and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the president.

SECTION 7.8 PROFESSIONAL STAFF

The Executive Director shall be the senior staff officer hired by the board of directors, and will serve at the pleasure of the board of directors. He/she shall be directly responsible to the president and under the president's direction, shall carry out the functions required to implement the programs and activities of the corporation and manage the day-to-day affairs of the corporation. The Executive Director, with the approval of the board of directors, shall employ the additional staff members needed to adequately perform the prescribed duties.

ARTICLE VIII. INDEMNIFICATION AND INSURANCE

SECTION 8.1 INDEMNIFICATION

a. Right of Indemnity. To the full extent permitted by law, this corporation shall indemnify its directors, officers, employees and other persons described in Section 7237(a) of the California Corporation Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any "proceeding," as that term is used in such Section and including an action by or in the right of the corporation, by reason of the fact that such person is or was a person described by such Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 7237(a) of the California Corporation Code.

b. Approval of Indemnity. Upon written request to the board of directors by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporation Code, the board of directors shall promptly determine in accordance with Section 7237(c) of the Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the board of directors shall authorize indemnification. If the board of directors cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought is such as to prevent the formation of a quorum of directors who are not parties to such proceeding, the board of directors or the attorney or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met.

c. Advancement of Expenses. To the full extent permitted by law and except as is otherwise determined by the board of directors in a specific instance, expenses incurred by a person seeking indemnification under these Bylaws in defending any proceeding covered by these Bylaws shall be advanced by the corporation prior to the final disposition of the proceeding upon receipt by the corporation of an undertaking by or on behalf of such person that the advance will be repaid unless it is ultimately determined that such person is entitled to be indemnified by the corporation therefore.

SECTION 8.2 INSURANCE

The corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees and other agents of the corporation, against any liability asserted against or incurred by an officer, director, employee or agent in such capacity or arising out of the officer's, director's, employee's or agent's status as such.

ARTICLE IX. RECORDS AND REPORTS

SECTION 9.1 MAINTENANCE OF CORPORATE RECORDS

The corporation shall keep:

- a. Adequate and correct books and records of account;
- b. Minutes in written form of the proceedings of its board of directors and committees of the board of directors;
- c. A record of its directors, giving their names and address. All such records shall be kept at the corporation's principal executive office, or, if its principal executive office is not in the State of California, at its principal business office in this state.

SECTION 9.2 MAINTENANCE AND INSPECTION BY DIRECTORS

The corporation shall keep at its principal executive office, or if its principal executive office is not in the State of California, at its principal business office in this state, the original or a copy of the Articles and Bylaws as amended to date. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the corporation and each of its subsidiary corporations. This inspection by a director may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

SECTION 9.3 ANNUAL REPORT TO DIRECTORS

Except as provided under Section 8321 of the California Corporations Code, not later than 120 days after the close of the corporation's fiscal year, the board of directors shall cause an annual report to be sent to the directors. Such report shall contain the following information in reasonable detail:

- a. The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- b. The principal changes in assets and liabilities, including trust funds, during the fiscal year.
- c. The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, for the fiscal year.
- d. The expenses or disbursements of the corporation for both general and restricted purposes during the fiscal year.
- e. Any information required by Section 9.4

The report required by this Section shall be accompanied by any report thereon of independent accountants, or, if there is no such report, by the certificate of an authorized officer of the corporation that such statements were prepared without audit from the books and records of the corporation.

SECTION 9.4 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS

Except as provided under Section 8322 of the California Corporations Code, the corporation shall prepare annually and furnish to each director a statement of any transaction or indemnification of the following kind within one hundred twenty (12) days after the close of the fiscal year of the corporation.

a. Any transaction to which the corporation, its parent or its subsidiary was a party, and in which any director or officer of the corporation, its parent or subsidiary (but mere common directorship shall not be considered such an interest) had a direct or indirect material financial interest, if such transaction involved over fifty thousand dollars (\$50,000), or was one of a number of transactions with the same person involving, in the aggregate, over fifty thousand dollars (\$50,000).

b. Any indemnifications or advances aggregating more than ten thousand dollars (\$10,000) paid during the fiscal year in any officer or director of the corporation pursuant to Article VIII hereof.

c. The statement shall include a brief description of the transaction, the names of the director(s) or officer(s) involved, their relationship to the corporation, the nature of such person's interest in the transaction and, where practicable, the amount of such interest; provided, that in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

SECTION 9.5 CONTRACTS, ETC., HOW EXECUTED

The board of directors, except as otherwise provided in these Bylaws, may authorize any officer or officer, agent or agents to enter into any contract or execute any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances; and unless so authorized by the board of directors, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount. Notwithstanding the foregoing, the aggregate dollar amount of contracts entered into by the corporation in respect of any year shall not exceed the corporation's total income for that year.

SECTION 9.6 REPRESENTATIONS OF SHARES OF OTHER CORPORATIONS

The president, the vice president, and the secretary or any assistant secretary are authorized to vote, represent, and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted to said officers to vote or represent on behalf of the corporation any and all shares held by the corporation in any other corporation or corporations may be exercised either by such officers in person or by any person authorized so to do by proxy or power of attorney duly executed by such officers.

ARTICLE X. CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular and the term "person" includes a natural person, corporation, partnership, joint venture, trust or other entity.

ARTICLE XI. AMENDMENTS


Except as otherwise provided in these Bylaws, the board of directors may adopt amend or repeal Bylaws, provided that, if any provision of these Bylaws requires the vote of a larger proportion of the directors than otherwise required by law, such provision may not be altered, amended or repealed except by vote of such larger number of directors.

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CERTIFICATE OF SECRETARY

I, the undersigned, certify that I am the presently elected and acting Secretary of the MELROSE BUSINESS IMPROVEMENT ASSOCIATION, a California nonprofit mutual benefit corporation, and the above Bylaws, consisting of 21 pages, are the Bylaws of the Corporation as adopted at a meeting of the board of directors held on December 13, 2013 and ratified on _____.

Signed:


Sylvia Weintraub

Dated:

1-10-14

